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SIPDIS
SENSITIVE BUT UNCLASSIFIED

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TAGS: [EMIN](#) [ENRG](#) [ETTC](#) [IR](#) [KNNP](#) [MNUC](#) [PARM](#) [TRGY](#)
SUBJECT: RESPONSE TO CANADIAN REQUEST ON IMPLEMENTATION OF
NATIONAL MEASURES

REF: (A) OTTAWA 1411 (B) STATE 112229 (C) OTTAWA 1368
(D) STATE 115454

- [1](#)1. (U) This is an action request. Please see paragraph 7.
[1](#)2. (SBU) OBJECTIVE FOR OTTAWA:

-- To inform appropriate Canadian Department of Foreign
Affairs and International Trade (DFAIT) interlocutors that
ISN discussed coordination on Iran non-proliferation
objectives with First Secretary (Political) David Hutchison
on 5 November 2008.

-- To request confirmation that Canada is willing to
participate in the demarches recommended below.

BACKGROUND:

[1](#)3. (SBU) Per reftels A, B, and C, the U.S. and Canada have
been informally discussing two topics regarding the Iran
nuclear issue: Iran,s upcoming nuclear conference on 30
November, and preventing Iran,s acquisition of new supplies
of uranium. On 5 November, ISN clarified these two issues and
addressed how Canada might play an active role in assisting
with coordinated demarche efforts in various countries.

[1](#)4. (SBU) Following the delivery of reftel B demarche to our
interlocutors in Ottawa, DFAIT expressed interest in helping
advocate against participation at Iran,s upcoming nuclear
conference on 30 November. Canada also expressed interest in
discouraging the sale of uranium to Iran by Kazakhstan (see
REF A and non-paper at para 9). Both of these initiatives
seek to prevent Iran from (a) legitimizing its nuclear
program by preventing broad international participation in
the conference, and (b) acquiring new supplies of uranium.

[1](#)5. (SBU) With respect to the nuclear conference, ISN offered
its recommendation that demarches be undertaken first in NSG
Participating Governments (PGs), and second, in a group of
other countries of concern (See REF B). The recommendation
was made that the mechanics of delivery of these demarches be
left in the hands of respective Embassies in demarche target
posts (a separate instructions cable to those capitals will
be provided upon confirmation of Canadian and French
willingness to engage in these demarches. Note: France made a
similar offer as Canada.)

[1](#)6. (SBU) Regarding the prevention of new uranium supplies to
Iran, ISN clarified that this effort is the outgrowth of a
separate project on the implementation of national measures
on Iran. ISN noted that Canada is a planned outreach country
for this effort and that arrangements are being made now to
brief Canada on the wider scope of possible activities in
which Canada would be invited to participate (including
demarches on countries whose firms intend to engage in

oil/gas investments in Iran or where there are indications of significant financial or technical assistance relationships).

ISN conveyed the non-paper found at para 9 with suggested key messages and demarche assignments that have been agreed upon by the United Kingdom, France, Germany, Italy, and the United States. ISN welcomed Canada's willingness to participate in this effort and requested Canada's views on both.

ACTION REQUEST FOR OTTAWA:

¶7. (SBU) Using the background in paras 3-6, Post is requested to convey to the appropriate DFAIT officials the fact that ISN has discussed with the Canadian Embassy in Washington coordinated efforts on Iran nonproliferation objectives. During this meeting, the below list and non-paper was passed to our Canadian interlocutor and should be conveyed to the appropriate DFAIT officials for their information. Post should also confirm Canadian willingness to participate in both efforts.

¶8. (SBU) Begin List:

Coordinated Demarche Strategy on Iranian Nuclear Conference:
Canada

Needing follow-up) Recommend by 17 November:

Brazil
Greece
Kazakhstan
Romania
¶S. Africa
IAEA

New approaches) Recommend by 17 November:

Algeria
Egypt
Indonesia
Jordan

End List:

9: (SBU) Begin Nonpaper on Uranium Producers:

-- As a consequence of its geology, Iran,s reported indigenous uranium reserves are insufficient to support its current nuclear power reactor program for a sustained period of time.

-- The IAEA's report of 26 May 2008 indicates that over two-thirds of Iran's available uranium yellowcake has been processed at its Uranium Conversion Facility in Esfahan. Calculations based on Iran's rate of uranium conversion thus far suggest that Iran will run out of yellowcake in early ¶2009.

-- Iran could soon begin, or may have already begun, to look for outside suppliers of uranium to build up its stockpile of uranium.

-- Under OP 3 of UNSC resolution 1737 and OP 8 of UNSC resolution 1803, states must prevent the export of specified items that could contribute to Iran,s enrichment-related, reprocessing or heavy water related activities, as described in S/2006/814, including uranium (unless low enriched, contained in fuel rods, and for a light water reactor). Given Iran,s publicly stated intention to pursue its enrichment-related activities, we believe it is critically important that the world's uranium suppliers prevent all/all exports of uranium to Iran unless contained in fuel rods and for an established light-water reactor.

-- Moreover, Part 1, paragraph 10 of the NSG Guidelines now call for the suspension of all nuclear cooperation with a

state that is found by the IAEA Board of Governors to be in noncompliance with its IAEA Safeguards Agreement.

-- The Non-proliferation Principle included in paragraph 16 of Part 1 of the NSG Guidelines provides that suppliers should allow transfers, notwithstanding all other provisions of the guidelines, only when satisfied that the transfers would not contribute to the proliferation of nuclear weapons or other nuclear explosive devices.

-- Extreme vigilance in dealing with Iran and its nuclear program is necessary given the requirements of the UN Security Council and the significant threat Iran presents to international peace and security. States, especially advanced nuclear countries, should not facilitate Iran's nuclear ambitions until all concerns regarding its intentions have been resolved and confidence in the exclusively peaceful nature of its program has been established.

Major Producers) Suggested Break-Out of Approaches

United States: India, Czech Republic, and Pakistan

France: Namibia and Niger

Germany: Romania and Ukraine

United Kingdom: Kazakhstan and Uzbekistan

Canada: Brazil and Russia

Australia: China and South Africa

End Nonpaper

10. (U) Post is requested to report any substantive responses by 21 November 2008. Richard Nephew (ISN/RA, 202-647-7680, NephewRM@state.sgov.gov) and Risa Mongiello (ISN/RA, 202-736-4730, MongiellRN@state.gov) are the Department's POC for this activity. Please include SIPDIS in your response.
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